JUN 2 3 1993

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

In re Applications of

MM DOCKET NO. 93-41

TRIAD FAMILY NETWORK, INC.

File No. BPED-910227M

For a Construction Permit for a New Noncommercial Educational Station on Channel 207C3 at Winston-Salem, North Carolina

File No. BPED-911119MC

POSITIVE ALTERNATIVE RADIO, INC.)

For Construction Permit for a New Noncommercial Educational Station on Channel 207A at Asheboro, North Carolina

To: Administrative Law Judge Joseph P. Gonzalez

MASS MEDIA BUREAU'S CONCENTS IN SUPPORT OF MOTION FOR SUMMARY DECISION

- 1. On June 9, 1993, Positive Alternative Radio, Inc. ("Radio") filed a motion for summary decision of the financial qualifications issues specified against it by Order, FCC 93M-267, released May 17, 1993. The Mass Media Bureau submits the following comments in support of Radio's motion.
- 2. The financial qualifications issues were specified because substantial and material questions were raised as to whether Radio presently has sufficient financial resources available to simultaneously construct and operate all of its proposed facilities, and whether Radio was financially qualified at the time it certified as to its financial qualifications. Specifically, Triad Family Network, Inc. demonstrated in its

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April 8, 1993, petition to enlarge that in addition to the application for Asheboro, Radio's principals possessed at the time of certification nine unbuilt construction permits and four additional applications for broadcast facilities. Radio's requirement to simultaneously provide funding for the multiple applications constituted a <u>prima facie</u> basis for the enlargement of issues on financial grounds. It is well established that.

commercial facilities. The total cost to complete construction of all the facilities is \$601,907. (Exhibits A and B.) The total cost of three months operating expenses for all the stations is \$91,150. (Exhibits D and E.) Thus, the total costs now required to be met by the Bakers for all construction and operation is \$693,057.

- 5. To meet these costs, Radio demonstrates the current availability of \$796,164.91, principally from a credit line from Patrick Henry National Bank, and also from funds in banks for construction and operation of the facilities. (Exhibits J, K and L.) Thus, there is a cushion of more than \$100,000.²
 Accordingly, it is clear that Radio is currently financially qualified.
- 6. Radio also demonstrates that it was financially qualified at the time of certification. To do so, Radio shows that as of the date of the filing of the Asheboro application on November 19, 1991, the funds then needed totaled \$792,845

19, 1991, balance sheet for the Bakers, it provides the Bakers' balance sheets for May 1, 1991, and February 1, 1992, which encompass the period surrounding the date of certification.

(Exhibits G and H.) Each of the two balance sheets shows liquid assets, substantial nonliquid assets and a net worth in excess of \$12,000,000. In assessing the Bakers' financial qualifications, the Bureau has assumed that there are no liquid assets. The Bakers' total assets on both balance sheets exceed \$14,500,000. The amount needed as of certification was \$792,845. Thus, the total assets are more than 18 times the amount needed. It is well established that nonliquid assets several times the value of the cash which such assets are relied upon to yield may be used to provide reasonable assurance of the ability to obtain the

determination at the hearing. Accordingly, summary decision in Radio's favor on all issues is warranted. <u>Big Country Radio</u>.

<u>Inc.</u>, 50 FCC 2d 967 (Rev. Bd. 1975); <u>New Broadcasting</u>

<u>Corporation</u>, 44 FCC 2d 386 (Rev. Bd. 1973); Section 1.251 of the Commission's Rules.

Respectfully submitted, Roy J. Stewart Chief, Mass Media Bureau

Charles E. Dziedzic Chief Hearing Branch

Norman Goldstein

Attqrney

Mass Media Bureau

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June 23, 1993

CERTIFICATE OF SERVICE

Michelle C. Mebane, a secretary in the Hearing Branch, Mass Media Bureau, certify that I have, on this 23rd day of June 1993, sent by First Class mail, U.S. Government frank, copies of the foregoing "Mass Media Bureau's Comments on Motion to Enlarge Issues" to:

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